

117TH CONGRESS
2D SESSION

S. 4183

To establish the National Energy Transition Endowment and Community Revitalization Corporation, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MAY 11 (legislative day, MAY 10), 2022

Mr. BENNET introduced the following bill; which was read twice and referred to the Committee on the Judiciary

A BILL

To establish the National Energy Transition Endowment and Community Revitalization Corporation, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “National Energy Com-
5 munity Transition Act of 2022”.

6 **SEC. 2. DEFINITIONS.**

7 In this Act:

8 (1) AVERAGE ENDING BALANCE.—The term
9 “average ending balance”, with respect to an ac-
10 count in the Endowment, means—

(A) for the first fiscal year during which the Endowment is in operation, the actual ending balance of the account;

(B) for the second fiscal year during which the Endowment is in operation, the average of the fiscal year ending balances of the account for that fiscal year and the preceding fiscal year;

(C) for the third fiscal year during which the Endowment is in operation, the average of the fiscal year ending balances of the account for the 2-preceding-fiscal-year period; and

(D) for the fourth fiscal year during which the Endowment is in operation, and for each fiscal year thereafter, the average of the fiscal year ending balances of the account for the 3-preceding-fiscal-year period.

(2) BOARD.—The term “Board” means the Board of Directors of the Corporation.

(3) COMMUNITY DEVELOPMENT FINANCIAL INSTITUTION.—The term “community development financial institution” has the meaning given the term in section 103 of the Community Development Banking and Financial Institutions Act of 1994 (12 U.S.C. 4702).

1 (4) CORPORATION.—The term “Corporation”
2 means the Community Revitalization Corporation es-
3 tablished by section 3(a).

4 (5) ELIGIBLE COMMUNITY.—The term “eligible
5 community” means—

6 (A) a community experiencing or likely to
7 experience an economic or workforce transition
8 relating to changes in applicable—

9 (i) fossil fuel electricity generation; or
10 (ii) fossil fuel extraction, development,
11 or demand; and

12 (B) a community experiencing or likely to
13 experience a decline in fossil fuel-related rev-
14 enue.

15 (6) ENDOWMENT.—The term “Endowment”
16 means the National Energy Transition Endowment
17 Fund established by section 4(a)(1).

18 (7) ENERGY COMMUNITY HUB.—The term “en-
19 ergy community hub” means a place-based organiza-
20 tion (including a nonprofit entity, community devel-
21 opment financial institution, regional economic de-
22 velopment authority, or other community-based or-
23 ganization, as determined to be appropriate by the
24 Corporation) that—

- (A) facilitates economic and community development in an eligible community; and
- (B) provides necessary capacity and experience to implement a transition program for 1 or more eligible communities.

(8) TRANSITION PROGRAM.—The term “transition program” means a program described in section 5(a)(2) or paragraph (3) or (4) of section 5(b).

9 SEC. 3. ESTABLISHMENT OF THE COMMUNITY REVITALIZA-
10 TION CORPORATION.

11 (a) IN GENERAL.—There is established a federally
12 chartered, nonprofit corporation, to be known as the
13 “Community Revitalization Corporation”.

14 (b) STATUS AND APPLICABLE LAWS.—

18 (2) LIABILITY.—The United States Govern-
19 ment shall not be liable for the actions or inactions
20 of the Corporation.

25 (c) BOARD OF DIRECTORS —

1 (1) AUTHORITY.—The powers of the Corpora-
2 tion shall be vested in a Board of Directors that gov-
3 erns the Corporation.

4 (2) MEMBERSHIP.—

5 (A) IN GENERAL.—The Board shall be
6 composed of not fewer than 7 but not more
7 than 11 members, who shall be appointed by
8 the President, not later than 90 days after the
9 date of enactment of this Act, by and with the
10 advice and consent of the Senate.

11 (B) QUALIFICATIONS OF MEMBERS.—

12 (i) IN GENERAL.—Subject to clauses
13 (ii) and (iii), in making appointments
14 under subparagraph (A), the President
15 shall ensure that the membership of the
16 Board—

17 (I) includes—

18 (aa) members from eligible
19 communities;

20 (bb) members with relevant
21 economic development experi-
22 ences with—

23 (AA) eligible commu-
24 nities;

(BB) underserved rural

communities in economic distress; and

(CC) underrepresented

minority communities, such as indigenous communities, Tribal communities, or communities of color; and

(cc) members representing a

recognized State labor organization or central labor council or other labor representatives, as appropriate; and

(II) has not more than a 1-mem-
majority from any political party.

(ii) PROHIBITION.—A member of the
Board shall not hold an office, position, or
employment in any political party.

(iii) INITIAL MEMBERS.—The President shall ensure that the initial membership of the Board includes a representative of each of the Northern Rocky Mountain region, the Four Corners region, the Mid-Continental Gulf Coast region, the Illinois Basin region, the Appalachian region, and

9 (C) TERMS.—

20 (D) VACANCIES.—

(II) subject to any conditions that applied with respect to the original appointment.

13 (3) CHAIRPERSON.—

1 (4) CONSULTATION.—To the maximum extent
2 practicable, in carrying out the duties of the Cor-
3 poration under subsection (d)(3), the Board shall
4 engage regional economic development entities and
5 energy community hubs to solicit and consider input
6 and feedback relating to decisions impacting the 1 or
7 more regions the entity represents.

8 (d) BYLAWS AND DUTIES.—

9 (1) IN GENERAL.—The Board shall adopt, and
10 may amend, the bylaws of the Corporation.

11 (2) BYLAWS.—The bylaws of the Corporation
12 shall include, at a minimum—

13 (A) the duties and responsibilities of the
14 Board; and

15 (B) the operational procedures of the Cor-
16 poration.

17 (3) DUTIES AND RESPONSIBILITIES OF
18 BOARD.—The Board shall be responsible for actions
19 of the Corporation, including—

20 (A) hiring staff to carry out the functions
21 of the Corporation;

22 (B) entering into contracts with fund man-
23 agement and investment professionals to man-
24 age the Endowment;

(C) making formula payments under section 5(a)(2);

(E) monitoring Federal and State policies relevant to rural and transitioning communities;

14 (G) creating and maintaining accessible
15 electronic materials targeted towards eligible
16 communities, including up-to-date, user-friendly
17 information on—

(H) making public investments in accordance with section 5(b)(4); and

10 SEC. 4. ESTABLISHMENT OF ENDOWMENT AND INVEST-
11 MENT STRATEGY.

12 (a) ENDOWMENT FUND.—

13 (1) IN GENERAL.—There is established within
14 the Corporation an endowment, to be known as the
15 “National Energy Transition Endowment Fund”,
16 consisting of—

(C) amounts transferred to the Endowment under subsection (c).

(B) The Transitioning Communities Benefit Account, consisting of the amounts described in paragraph (1)(C).

17 (b) INVESTMENTS.—

1 value of all deposits into the Endowment under
2 subparagraphs (A) and (C) of subsection (a)(1);
3 and

4 (B) to the maximum extent practicable,
5 achieves a return on investment of 5 percent
6 (net of inflation) to finance—

7 (i) disbursements to eligible entities
8 under section 5(a)(2); and
9 (ii) the administration of the Corpora-
10 tion under paragraph (3)(A).

11 (2) INVESTMENT OF PRINCIPAL BALANCE.—Of
12 the principal balance of the Endowment, the Board
13 shall invest—

14 (A) an amount equal to not less than 85
15 percent, and not more than 90 percent, in a di-
16 versified portfolio of stocks and bonds; and

17 (B) an amount equal to not less than 10
18 percent, and not more than 15 percent, in in-
19 vestments that leverage the purposes of dis-
20 bursements from the Endowment authorized
21 under section 5.

22 (3) ADMINISTRATIVE FUNDS.—

23 (A) IN GENERAL.—For each fiscal year,
24 the Board may disburse to the Corporation
25 from the Transitioning Communities Perma-

1 nent Account, for the administrative expenses
2 of the Corporation, not more than the amount
3 equal to the product obtained by multiplying—

(c) TRANSFERS TO ENDOWMENT FROM ENERGY AND
NATURAL RESOURCES LEASING.—Each fiscal year, the
Secretary of the Treasury shall transfer to the Endow-
ment an amount equal to 33 percent of amounts in the
Treasury received from fossil fuel extraction and produc-
tion leasing and renewable energy resource leasing on Fed-
eral land for that fiscal year and not otherwise obligated.

22 (d) REPORTS.—The Corporation shall submit to Con-
23 gress, and make available to the public (including any eli-
24 gible entities that receive financial assistance under a
25 transition program)—

1 (1) a quarterly report on Endowment invest-
2 ment outcomes; and

3 (2) an annual report describing disbursements
4 from the Endowment, including how amounts were
5 allocated under the transition programs.

6 (e) OVERSIGHT.—Annually, the Inspectors General of
7 the Department of the Interior and the Department of the
8 Treasury shall conduct a review of the management of the
9 Endowment by the Corporation.

10 **SEC. 5. DISBURSEMENTS FROM ENDOWMENT.**

11 (a) TRANSITIONING COMMUNITIES PERMANENT AC-
12 COUNT.—

13 (1) AVAILABILITY OF AMOUNTS.—Not later
14 than September 30 of each fiscal year, in accordance
15 with paragraph (2), the Board shall make available
16 from the Transitioning Communities Permanent Ac-
17 count an amount equal to the product obtained by
18 multiplying—

19 (A) the average ending balance of the
20 Transitioning Communities Permanent Account
21 with respect to that fiscal year; and

22 (B) 4.5 percent.

23 (2) FORMULA DISTRIBUTION.—

24 (A) DEFINITION OF ELIGIBLE ENTITY.—In
25 this paragraph, the term “eligible entity”

1 means a municipal, county, or Tribal govern-
2 ment that represents an eligible community.

3 (B) ALLOCATION.—The Corporation shall
4 allocate the amount made available from the
5 Transitioning Communities Permanent Account
6 under paragraph (1) each fiscal year to eligible
7 entities pursuant to subparagraph (C).

8 (C) FORMULA.—

9 (i) IN GENERAL.—The Corporation
10 shall establish a formula to allocate
11 amounts made available from the
12 Transitioning Communities Permanent Ac-
13 count each fiscal year under subparagraph
14 (B) directly to eligible entities.

15 (ii) REQUIREMENT.—To the max-
16 imum extent practicable, in establishing
17 the formula under clause (i), the Corpora-
18 tion shall use as a model existing formulas
19 established by the Treasury, if available
20 and as applicable.

21 (D) REVIEW AND PUBLIC COMMENT.—

22 (i) IN GENERAL.—The Board shall re-
23 view the formula established under sub-
24 paragraph (C) not less frequently than
25 once every 3 years.

10 (i) be designed to reflect eligible com-
11 munities; and

12 (ii) take into account revenue declines
13 that—

14 (I) have occurred during the 20-
15 year period ending on, as applicable—

16 (aa) the date of enactment
17 of this Act; or

18 (bb) the date of the applica-
19 ble review under subparagraph
20 (D)(j); and

(II) are projected to occur during the 10-year period beginning on, as applicable—

24 (aa) the date of enactment
25 of this Act; or

1 (bb) the date of the applica-
2 ble review under subparagraph
3 (D)(i).

4 (F) PRIORITY.—

13 (aa) the Energy Information
14 Administration; or

(bb) a relevant regional reliability regulator, including a Regional Transmission Organization, Independent System Operator, or State public utility commission; and

(II) in the case of the closure of
a coal mine that provides coal for an
electric power plant for which a notice
of closure has been filed under sub-
clause (I), a notice of closure that in-

1 cludes supporting documentation from
2 form 923 of the Energy Information
3 Administration (or a successor form).

4 (ii) PRIORITY.—In establishing the
5 formula under subparagraph (C), the Cor-
6 poration shall prioritize eligible entities lo-
7 cated in eligible communities experiencing
8 or likely to experience an acute fiscal crisis
9 associated with the loss of revenue result-
10 ing from—

11 (I) the closure or officially an-
12 nounced closure of 1 or more fossil
13 fuel energy-generating units or facili-
14 ties; or

15 (II) the decline or cessation of
16 fossil fuel extraction activities.

17 (G) CONSIDERATIONS.—In establishing the
18 formula under subparagraph (C), the Corpora-
19 tion shall consider community characteristics,
20 including social and economic measures of in-
21 come, poverty, education, geographic isolation,
22 and other characteristics identified by the Cor-
23 poration.

(H) USE OF FUNDS.—An eligible entity may use amounts received under this paragraph for any governmental purpose.

4 (b) TRANSITIONING COMMUNITIES PERMANENT AC-
5 COUNT.—

6 (1) AVAILABILITY OF AMOUNTS.—Not later
7 than September 30 of each fiscal year, in accordance
8 with paragraphs (2) through (4), the Board shall
9 make available from the Transitioning Communities
10 Benefit Account an amount equal to the product ob-
11 tained by multiplying—

15 (B) 4.5 percent.

(A) to provide grants to eligible entities pursuant to the transition program described in paragraph (3); and

(B) for public investment pursuant to the transition program described in paragraph (4).

6 (i) a municipal, county, or Tribal gov-
7 ernment;

(ii) an energy community hub; and

12 (B) PRIORITY: LIMITATION.—

1 that the applicable municipal, county, or
2 Tribal government supports the grant for
3 the eligible entity.

4 (C) TRAINING AND TECHNICAL ASSIST-
5 ANCE.—Each fiscal year, out of amounts made
6 available from the Transitioning Communities
7 Benefit Account under paragraph (2)(A), the
8 Corporation shall provide to eligible entities
9 technical assistance to apply for or otherwise
10 access Federal funding, including capacity-
11 building grants under subparagraph (D) and
12 planning and implementation grants under sub-
13 paragraph (E).

14 (D) CAPACITY-BUILDING GRANTS.—Each
15 fiscal year, out of amounts made available from
16 the Transitioning Communities Benefit Account
17 under paragraph (2)(A), the Corporation shall
18 make noncompetitive capacity-building grants
19 to each eligible entity to assist with developing
20 strategic transition plans necessary to receive
21 additional competitive grants and financing op-
22 portunities.

23 (E) PLANNING AND IMPLEMENTATION
24 GRANTS.—

(II) the implementation of transition plans in eligible communities; and

(III) transition projects in eligible communities, including workforce retraining and community development projects.

1 transition planning and implementation
2 outcomes, the Corporation shall compile,
3 conduct assessments of, and report on data
4 provided by eligible entities provided
5 grants under this subparagraph, in accord-
6 ance with section 3(d)(3)(I).

7 (4) PUBLIC INVESTMENT.—

8 (A) IN GENERAL.—Each fiscal year, out of
9 amounts made available from the Transitioning
10 Communities Benefit Account under paragraph
11 (2)(B), the Corporation shall make public in-
12 vestments in public or private projects carried
13 out in eligible communities that leverage transi-
14 tion programs funded under paragraph (3).

15 (B) CONSULTATION.—The Corporation
16 may carry out subparagraph (A) in consultation
17 with the staff of the Corporation, community
18 development financial institutions, public ben-
19 efit corporations, entities that provide philan-
20 thropic funding, energy community hubs, and
21 other partners to invest capital in businesses
22 and infrastructure in eligible communities.

23 (C) REQUIREMENT FOR RETURN ON IN-
24 VESTMENT.—To the maximum extent prac-
25 ticable, the Corporation shall ensure that the

1 entire portfolio of transition investments under
2 subparagraph (A) contributes to a return to the
3 Endowment that achieves the target described
4 in section 4(b)(1)(B).

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